

# **Exhibit 8**



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Suspicious Order Monitoring (SOM)  
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## Project Scope

- Complete evaluation of the current SOM system for compliance with regulatory changes, identification of existing gaps, proposal of, and upgrade to, a fully compliant automated solution.
  - Evaluation of existing system elements and recommended path forward, performed by third-party compliance consultant, Cegedim-Dendrite
- Assessment was completed by Cegedim-Dendrite in 2011
  - The deliverable for the onsite assessment and review was a report which identified gaps and other recommended changes to assist Watson in enhancing the SOM system to comply with DEA regulations and associated memorandum regarding SOM.
  - The report will be utilized as a roadmap for determining resources and course taken to enhance the current program to align with DEA regulations.





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## Project Activities Completed To Date

- Cegedim-Dendrite completed SOM system evaluation – September, 2011
- Findings and Recommendations provided to Watson – September, 2011
- Compliance Department budgeted for a 2012 System Implementation
- Cegedim-Dendrite provided recommended coefficients and constant values to Watson to incorporate into SAP
- SAP SOMS modifications completed in development environment by IT 3Q2012
- Testing completed in development environment by IT – 3Q2012
- SOM Project put “on hold” due to Actavis acquisition and integration project – October, 2012
- SOM Project re-initiated February, 2013





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## Critical Project Activities and Deliverable Dates

Activity	Date
Finalize Project Scope – Phase 1	June 30 <sup>th</sup>
Finalize User Requirements Specifications	June 30 <sup>th</sup>
IT to review User Requirement Specifications and determine work effort and resource requirements	June 30 <sup>th</sup> – July 7 <sup>th</sup>
Core Team to finalize and agree upon Project Scope for Phase 1 and Phase 2	July 7 <sup>th</sup> to July 14 <sup>th</sup>
Submit Sales History Data (Including Actavis skus) to Cegedim (March 2013 thru June 2013)	July 1st
Recalibration Work Effort to be completed by Cegedim	TBD – Follow up w/Cegedim required
Development of SOM Report by IT	TBD
Define and document new business processes	TBD (Mary & Tom)





## Next Steps

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- Provide Sales History Data to Cegedim for March thru June, 2013 (Early July)
- Finalize User Requirement Specifications
- Determine IT work effort remaining for Phase 1 agreed upon scope
  - IT to provide estimate and timeline
- Begin work effort to define new business processes

